

1 **DEPARTMENT OF HUMAN SERVICES**

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3
4 **EXECUTIVE BUDGET BILL**

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7 A bill to make appropriations for the department of human
8 services and certain state purposes related to public welfare
9 services for the fiscal year ending September 30, 2010; to provide
10 for the expenditure of the appropriations; to create funds; to
11 provide for the imposition of fees; to provide for reports; to
12 provide for the disposition of fees and other income received by
13 the state agency; and to provide for the powers and duties of
14 certain individuals, local governments, and state departments,
15 agencies, and officers.

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18 **THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

19 **PART 1**

20 **LINE-ITEM APPROPRIATIONS**

21 Sec. 101. Subject to the conditions set forth in this bill,
22 the amounts listed in this part are appropriated for the department
23 of human services for the fiscal year ending September 30, 2010,
24 from the funds indicated in this part. The following is a summary
25 of the appropriations in this part:

26 **DEPARTMENT OF HUMAN SERVICES**

27 **APPROPRIATION SUMMARY:**

28 Full-time equated classified positions11,215.5
29 Full-time equated unclassified positions6.0
30 Total full-time equated positions11,221.5
31 GROSS APPROPRIATION..... \$ 4,592,454,900
32 Interdepartmental grant revenues:
33 Total interdepartmental grants and intradepartmental

1	transfers	2,426,600
2	ADJUSTED GROSS APPROPRIATION.....	\$ 4,590,028,300
3	Federal revenues:	
4	Federal - FMAP stimulus.....	16,172,200
5	Total other federal revenues.....	3,438,946,500
6	Special revenue funds:	
7	Total private revenues.....	9,822,200
8	Total local revenues.....	41,741,300
9	Total other state restricted revenues.....	56,845,400
10	State general fund/general purpose.....	\$ 1,026,500,700
11	Sec. 102. EXECUTIVE OPERATIONS	
12	Total full-time equated positions652.7	
13	Full-time equated unclassified positions6.0	
14	Full-time equated classified positions646.7	
15	Unclassified salaries--6.0 FTE positions.....	\$ 647,900
16	Salaries and wages--295.7 FTE positions.....	18,262,900
17	Contractual services, supplies, and materials.....	5,785,500
18	Demonstration projects--9.0 FTE positions.....	9,280,900
19	Inspector general salaries and wages--99.0 FTE	
20	positions	5,868,000
21	Electronic benefit transfer EBT.....	7,166,500
22	Michigan community service commission--15.0 FTE	
23	positions	9,763,800
24	AFC, children's welfare and day care licensure--	
25	228.0 FTE positions	24,103,200
26	State office of administrative hearings and rules.....	<u>5,559,300</u>
27	GROSS APPROPRIATION.....	\$ 86,438,000
28	Appropriated from:	
29	Federal revenues:	

1	Total federal revenues.....	56,652,700
2	Special revenue funds:	
3	Total private revenues.....	3,199,600
4	Total local revenues.....	175,000
5	Licensing fees.....	516,300
6	Health systems fees and collections.....	216,100
7	Total other state restricted revenues.....	25,000
8	State general fund/general purpose.....	\$ 25,653,300
9	Sec. 103. CHILD SUPPORT ENFORCEMENT	
10	Full-time equated classified positions209.7	
11	Child support enforcement operations--203.7 FTE	
12	positions \$	23,882,400
13	Legal support contracts.....	138,753,600
14	Child support incentive payments.....	32,409,600
15	State disbursement unit--6.0 FTE positions.....	<u>18,520,900</u>
16	GROSS APPROPRIATION.....	\$ 213,566,500
17	Appropriated from:	
18	Federal revenues:	
19	Total federal revenues.....	185,629,000
20	Special revenue funds:	
21	Total local revenues.....	340,000
22	Total other state restricted revenues.....	3,395,000
23	State general fund/general purpose.....	\$ 24,202,500
24	Sec. 104. COMMUNITY ACTION AND ECONOMIC OPPORTUNITY	
25	Full-time equated classified positions17.0	
26	Bureau of community action and economic opportunity	
27	operations--17.0 FTE positions \$	1,971,600
28	Community services block grants.....	24,218,000
29	Weatherization assistance.....	<u>18,418,700</u>

1	GROSS APPROPRIATION.....	\$	44,608,300
2	Appropriated from:		
3	Federal revenues:		
4	Total federal revenues.....		44,608,300
5	Special revenue funds:		
6	State general fund/general purpose.....	\$	0
7	Sec. 105. ADULT AND FAMILY SERVICES		
8	Full-time equated classified positions		42.7
9	Executive direction and support--5.0 FTE positions....	\$	520,300
10	Guardian contract.....		600,000
11	Adult services policy and administration--6.0 FTE		
12	positions		639,600
13	Office of program policy--31.7 FTE positions.....		5,029,000
14	Employment and training support services.....		34,449,900
15	Wage employment verification reporting.....		848,700
16	Urban and rural empowerment/enterprise zones.....		100
17	Nutrition education.....		28,000,000
18	Crisis prevention and elder law of Michigan food for		
19	the elderly project		<u>200,000</u>
20	GROSS APPROPRIATION.....	\$	70,287,600
21	Appropriated from:		
22	Federal revenues:		
23	Total federal revenues.....		49,248,100
24	Special revenue funds:		
25	State general fund/general purpose.....	\$	21,039,500
26	Sec. 106. CHILDREN'S SERVICES		
27	Full-time equated classified positions		232.0
28	Salaries and wages--93.2 FTE positions.....	\$	6,646,500
29	Contractual services, supplies, and materials.....		2,592,700

1	Foster care payments.....	203,202,700
2	Adoption subsidies.....	237,262,000
3	Adoption support services--7.2 FTE positions.....	25,019,100
4	Youth in transition--2.0 FTE positions.....	18,067,000
5	Interstate compact.....	231,600
6	Children's benefit fund donations.....	21,000
7	Families first.....	16,946,700
8	Strong families/safe children--3.0 FTE positions.....	12,906,100
9	Community protection and permanency--37.5 FTE	
10	positions	17,847,100
11	Family reunification program.....	3,977,100
12	Family preservation and prevention services	
13	administration--12.5 FTE positions	1,894,000
14	Children's trust fund administration--12.0 FTE	
15	positions	1,053,600
16	Children's trust fund grants.....	3,825,100
17	ECIC, early childhood investment corporation.....	14,623,000
18	Attorney general contract.....	3,374,300
19	Prosecuting attorney contracts.....	2,561,700
20	Child protection--5.0 FTE positions.....	813,100
21	Subsidized guardianship program.....	4,575,000
22	Domestic violence prevention and treatment--14.6 FTE	
23	positions	14,797,800
24	Rape prevention and services.....	2,600,000
25	Title IV-E compliance and accountability office--5.0	
26	FTE positions	397,800
27	Child welfare institute--40.0 FTE positions.....	<u>5,943,800</u>
28	GROSS APPROPRIATION.....	\$ 601,178,800
29	Appropriated from:	

1	Interdepartmental grant revenues:	
2	IDG from DCH - crime victims' rights fund.....	1,300,000
3	Federal revenues:	
4	Federal - FMAP stimulus.....	15,054,100
5	Total other federal revenues.....	371,176,100
6	Special revenue funds:	
7	Private - children's benefit fund donations.....	21,000
8	Private - collections.....	2,787,500
9	Local funds - county chargeback.....	21,840,600
10	Compulsive gaming prevention fund.....	1,040,000
11	Children's trust fund.....	3,822,700
12	State general fund/general purpose.....	\$ 184,136,800
13	Sec. 107. JUVENILE JUSTICE SERVICES	
14	Full-time equated classified positions323.5	
15	Secure juvenile services--252.0 FTE positions.....	\$ 26,891,700
16	Community juvenile justice centers--27.0 FTE positions	2,747,900
17	Child care fund.....	234,280,100
18	Child care fund administration--5.8 FTE positions.....	791,400
19	County juvenile officers.....	3,894,700
20	Community support services--2.0 FTE positions.....	1,496,600
21	Juvenile justice administration and maintenance--18.0	
22	FTE positions	3,474,500
23	Federally funded activities--13.7 FTE positions.....	1,887,700
24	W. J. Maxey memorial fund.....	45,000
25	Juvenile accountability block grant--1.0 FTE position..	1,300,400
26	Committee on juvenile justice administration--4.0 FTE	
27	positions	519,500
28	Committee on juvenile justice grants.....	<u>5,000,000</u>
29	GROSS APPROPRIATION.....	\$ 282,329,500

1	Appropriated from:	
2	Federal revenues:	
3	Total federal revenues	95,432,300
4	Special revenue funds:	
5	Total private revenues	45,000
6	Local funds - state share education funds	2,523,200
7	Local funds - county chargeback	14,310,300
8	State general fund/general purpose	\$ 170,018,700
9	Sec. 108. LOCAL OFFICE STAFF AND OPERATIONS	
10	Full-time equated classified positions	9,141.5
11	Field staff, salaries and wages--8,920.7 FTE positions	\$ 466,903,600
12	Contractual services, supplies, and materials	17,009,300
13	Medical/psychiatric evaluations	6,300,000
14	Donated funds positions--156.0 FTE positions	12,440,500
15	Training and program support--23.0 FTE positions	3,667,500
16	Food stamp reinvestment--31.8 FTE positions	7,470,000
17	Wayne County gifts and bequests	100,000
18	Volunteer services and reimbursement	1,294,900
19	SSI advocates--10.0 FTE positions	<u>2,190,500</u>
20	GROSS APPROPRIATION	\$ 517,376,300
21	Appropriated from:	
22	Federal revenues:	
23	Federal - FMAP stimulus	697,300
24	Total other federal revenues	296,016,600
25	Special revenue funds:	
26	Local funds - donated funds	2,552,200
27	Private funds - donated funds	739,400
28	Private funds - Wayne County gifts	100,000
29	Private funds - hospital contributions	2,929,700

1	Supplemental security income recoveries	702,000
2	State general fund/general purpose	\$ 213,639,100
3	Sec. 109. DISABILITY DETERMINATION SERVICES	
4	Full-time equated classified positions	575.4
5	Disability determination operations--549.9 FTE	
6	positions	\$ 84,092,800
7	Medical consultation program--21.4 FTE positions	2,959,500
8	Retirement disability determination--4.1 FTE positions	<u>835,000</u>
9	GROSS APPROPRIATION	\$ 87,887,300
10	Appropriated from:	
11	Interdepartmental grant revenues:	
12	IDG from DMB - office of retirement systems	1,126,600
13	Federal revenues:	
14	Total federal revenues	83,875,400
15	Special revenue funds:	
16	State general fund/general purpose	\$ 2,885,300
17	Sec. 110. CENTRAL SUPPORT ACCOUNTS	
18	Rent	\$ 45,490,700
19	Occupancy charge	9,280,700
20	Travel	6,224,200
21	Equipment	277,300
22	Worker's compensation	3,631,400
23	Advisory commissions	17,900
24	Payroll taxes and fringe benefits	<u>299,667,700</u>
25	GROSS APPROPRIATION	\$ 364,589,900
26	Appropriated from:	
27	Federal revenues:	
28	Federal - FMAP stimulus	420,800
29	Total other federal revenues	213,509,800

1	Special revenue funds:	
2	State general fund/general purpose.....	\$ 150,659,300
3	Sec. 111. PUBLIC ASSISTANCE	
4	Full-time equated classified positions27.0	
5	Family independence program.....	\$ 382,007,700
6	State disability assistance payments.....	35,233,600
7	Food assistance program benefits.....	1,221,340,900
8	State supplementation.....	31,255,700
9	State supplementation administration.....	1,288,100
10	Low-income home energy assistance program.....	116,451,600
11	Food bank funding.....	675,000
12	Homeless programs.....	11,646,700
13	Multicultural assimilation funding.....	1,715,500
14	Indigent burial.....	4,209,300
15	Emergency services local office allocations.....	21,865,500
16	Day care services.....	343,239,700
17	Day care training, technology, and oversight--20.0	
18	FTE positions	2,478,200
19	Refugee assistance program--7.0 FTE positions.....	<u>17,717,500</u>
20	GROSS APPROPRIATION.....	\$ 2,191,125,000
21	Appropriated from:	
22	Federal revenues:	
23	Total federal revenues.....	1,950,664,200
24	Special revenue funds:	
25	Child support collections.....	29,361,700
26	Supplemental security income recoveries.....	14,156,600
27	Public assistance recoupment revenue.....	3,610,000
28	State general fund/general purpose.....	\$ 193,332,500
29	Sec. 112. INFORMATION TECHNOLOGY	

1	Information technology services and projects.....	\$	86,436,700
2	Child support automation.....		<u>46,631,000</u>
3	GROSS APPROPRIATION.....	\$	133,067,700
4	Appropriated from:		
5	Federal revenues:		
6	Total federal revenues.....		92,134,000
7	Special revenue funds:		
8	State general fund/general purpose.....	\$	40,933,700
9			

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11 PART 2

12 PROVISIONS CONCERNING APPROPRIATIONS

13 GENERAL SECTIONS

14 Sec. 201. Pursuant to section 30 of article IX of the state
 15 constitution of 1963, total state spending from state resources
 16 under part 1 for fiscal year 2009-2010 is \$1,083,346,100.00 and
 17 state spending from state resources to be paid to local units of
 18 government for fiscal year 2009-2010 is \$157,028,900.00. The
 19 itemized statement below identifies appropriations from which
 20 spending to local units of government will occur:

21 DEPARTMENT OF HUMAN SERVICES-

22	Child care fund.....	\$	147,710,200
23	County juvenile officers.....		3,648,400
24	Legal support contracts.....		3,034,000
25	State disability assistance payments.....		2,159,200
26	Child support enforcement operations.....		302,700
27	Family independence program.....		<u>174,400</u>
28	TOTAL.....	\$	157,028,900

1 Sec. 202. The appropriations authorized under this bill are
2 subject to the management and budget act, 1984 PA 431, MCL 18.1101
3 to 18.1594.

4 Sec. 203. As used in this bill:

5 (a) "AFC" means adult foster care.

6 (b) "CFSR" means child and family services review.

7 (c) "CRI" means children's rights initiative.

8 (d) "DCH" means the department of community health.

9 (e) "Department" means the department of human services.

10 (f) "Director" means the director of the department of human
11 services.

12 (g) "DMB" means the department of management and budget.

13 (h) "ECIC" means early childhood investment corporation.

14 (i) "FMAP" means federal medical assistance percentage.

15 (j) "FTE" means full-time equated.

16 (k) "IDG" means interdepartmental grant.

17 (l) "JET" means jobs, education and training program.

18 (m) "RSDI" means retirement survivors disability insurance.

19 (n) "SSI" means supplemental security income.

20 (o) "Temporary assistance for needy families" or "TANF" or
21 "title IV-A" means part A of title IV of the social security act,
22 42 USC 601 to 604, 605 to 608, and 609 to 619.

23 (p) "Title IV-D" means part D of title IV of the social
24 security act, 42 USC 651 to 655 and 656 to 669b.

25 (q) "Title IV-E" means part E of title IV of the social
26 security act, 42 USC 670 to 673, 673b to 679, and 679b.

27 (r) "VA" means veterans affairs.

28 Sec. 204. The civil service commission shall bill the
29 department at the end of the first fiscal quarter for the charges

1 authorized by section 5 of article XI of the state constitution of
2 1963. Payments shall be made for the total amount of the billing by
3 the end of the second fiscal quarter.

4 Sec. 208. Unless otherwise specified, the department shall use
5 the Internet to fulfill the reporting requirements of this bill.
6 This shall include transmission of reports via electronic mail,
7 including a link to the Internet site, to the recipients identified
8 for each reporting requirement, or it may include placement of
9 reports on the Internet or Intranet site.

10 Sec. 209. Funds appropriated in part 1 shall not be used for
11 the purchase of foreign goods or services, or both, if
12 competitively priced and of comparable quality American goods or
13 services, or both, are available. Preference should be given to
14 goods or services, or both, manufactured or provided by Michigan
15 businesses, if they are competitively priced and of comparable
16 quality. In addition, preference should be given to goods or
17 services, or both, that are manufactured or provided by Michigan
18 businesses owned and operated by veterans, if they are
19 competitively priced and of comparable quality.

20 Sec. 210. The director shall take all reasonable steps to
21 ensure businesses in deprived and depressed communities compete for
22 and perform contracts to provide services or supplies, or both. The
23 director shall strongly encourage firms with which the department
24 contracts to subcontract with certified businesses in depressed and
25 deprived communities for services, supplies, or both.

26 Sec. 211. Funds appropriated in part 1 shall not be used by a
27 principal executive department, state agency, or authority to hire
28 a person to provide legal services that are the responsibility of
29 the attorney general. This prohibition does not apply to legal

1 services for bonding activities and for those activities that the
2 attorney general authorizes.

3 Sec. 212. (1) In addition to funds appropriated in part 1 for
4 all programs and services, there is appropriated for write-offs of
5 accounts receivable, deferrals, and for prior year obligations in
6 excess of applicable prior year appropriations, an amount equal to
7 total write-offs and prior year obligations, but not to exceed
8 amounts available in prior year revenues or current year revenues
9 that are in excess of the authorized amount.

10 (2) The department's ability to satisfy appropriation fund
11 sources in part 1 shall not be limited to collections and accruals
12 pertaining to services provided in the current fiscal year, but
13 shall also include reimbursements, refunds, adjustments, and
14 settlements from prior years. The department shall submit a written
15 report to the chairpersons of the senate and house appropriations
16 subcommittees on the department budget that identifies all
17 reimbursements, refunds, adjustments, and settlements from prior
18 years to be used to satisfy appropriation fund sources.

19 Sec. 213. (1) The department may retain all of the state's
20 share of food assistance overissuance collections as an offset to
21 general fund/general purpose costs. Retained collections shall be
22 applied against federal funds deductions in all appropriation units
23 where department costs related to the investigation and recoupment
24 of food assistance overissuances are incurred. Retained collections
25 in excess of such costs shall be applied against the federal funds
26 deducted in the executive operations appropriation unit.

27 (2) The department shall report to the legislature during the
28 senate and house budget hearings on the status of the food stamp
29 error rate. The report shall include at least all of the following:

1 (a) An update on federal sanctions and federal requirements
2 for reinvestment due to the food stamp error rate.

3 (b) Review of the status of training for employees who
4 administer the food assistance program.

5 (c) An outline of the past year's monthly status of worker to
6 food stamp cases and monthly status of worker to food stamp
7 applications.

8 (d) Corrective action through policy, rules, and programming
9 being taken to reduce the food stamp error rate.

10 (e) Any other information regarding the food stamp error rate,
11 including information pertaining to technology and computer
12 applications used for the food assistance program.

13 Sec. 215. If a legislative objective of this article or the
14 social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, cannot be
15 implemented without loss of federal financial participation because
16 implementation would conflict with or violate federal regulations,
17 the department shall notify the state budget director, the house
18 and senate appropriations committees, and the house and senate
19 fiscal agencies and policy offices of that fact.

20 Sec. 217. (1) Due to the current budgetary problems in this
21 state, out-of-state travel shall be limited to situations in which
22 1 or more of the following conditions apply:

23 (a) The travel is required by legal mandate or court order or
24 for law enforcement purposes.

25 (b) The travel is necessary to protect the health or safety of
26 Michigan citizens or visitors or to assist other states in similar
27 circumstances.

28 (c) The travel is necessary to produce budgetary savings or to
29 increase state revenues, including protecting existing federal

1 funds or securing additional federal funds.

2 (d) The travel is necessary to comply with federal
3 requirements.

4 (e) The travel is necessary to secure specialized training for
5 staff that is not available within this state.

6 (f) The travel is financed entirely by federal or nonstate
7 funds.

8 (g) The travel is necessary as part of the training of
9 department workers or the staff of private providers through the
10 child welfare institute.

11 (2) Not later than January 1 of each year, each department
12 shall prepare a travel report listing all travel by classified and
13 unclassified employees outside this state in the immediately
14 preceding fiscal year that was funded in whole or in part with
15 funds appropriated in the department's budget. The report shall be
16 submitted to the chairs and members of the house and senate
17 appropriations committees, the fiscal agencies, and the state
18 budget director. The report shall include the following
19 information:

20 (a) The name of each person receiving reimbursement for travel
21 outside this state or whose travel costs were paid by this state.

22 (b) The destination of each travel occurrence.

23 (c) The dates of each travel occurrence.

24 (d) A brief statement of the reason for each travel
25 occurrence.

26 (e) The transportation and related costs of each travel
27 occurrence, including the proportion funded with state general
28 fund/general purpose revenues, the proportion funded with state
29 restricted revenues, the proportion funded with federal revenues,

1 and the proportion funded with other revenues.

2 (f) A total of all out-of-state travel funded for the
3 immediately preceding fiscal year.

4 Sec. 218. The department shall prepare an annual report on
5 the TANF federal block grant. The report shall include projected
6 expenditures for the current fiscal year, an accounting of any
7 previous year funds carried forward, and a summary of all
8 interdepartmental or interagency agreements relating to the use of
9 TANF funds. The report shall be forwarded to the state budget
10 director and the house and senate appropriations subcommittees on
11 the department budget and the house and senate fiscal agencies and
12 policy offices within 10 days after presentation of the executive
13 budget.

14 Sec. 221. If the revenue collected by the department from
15 private and local sources exceeds the amount spent from amounts
16 appropriated in part 1, the revenue may be carried forward, with
17 approval from the state budget director, into the subsequent fiscal
18 year.

19 Sec. 223. The department shall make a determination of
20 Medicaid eligibility not later than 60 days after all information
21 to make the determination is received from the applicant when
22 disability is an eligibility factor. For all other Medicaid
23 applicants, the department shall make a determination of Medicaid
24 eligibility not later than 45 days after all information to make
25 the determination is received from the applicant.

26 Sec. 227. The department, with the approval of the state
27 budget director, is authorized to realign sources of financing
28 authorizations in order to maximize temporary assistance for needy
29 families' maintenance of effort countable expenditures. This

1 realignment of financing shall not be made until 15 days after
2 notifying the chairs of the house and senate appropriations
3 subcommittees on the department budget and house and senate fiscal
4 agencies, and shall not produce an increase or decrease in any
5 line-item expenditure authorization.

6 Sec. 259. From the funds appropriated in part 1 for
7 information technology, the department shall pay user fees to the
8 department of information technology for technology-related
9 services and projects. Such user fees shall be subject to
10 provisions of an interagency agreement between the department and
11 the department of information technology.

12 Sec. 279. All contracts relating to human services entered
13 into or renewed by the department on or after October 1 of the
14 current fiscal year shall be performance-based contracts that
15 employ a client-centered results-oriented process that is based on
16 measurable performance indicators and desired outcomes and includes
17 the annual assessment of the quality of services provided.

18 Sec. 280. The department shall submit a report to the house
19 and senate appropriations subcommittees for the department budget,
20 the house and senate fiscal agencies, the house and senate policy
21 offices, and the state budget director by February 1 of the current
22 fiscal year on the status of the department's information
23 technology improvement initiative "Bridges" integration project.
24 The report shall include details on the following:

25 (a) The amounts expended during the previous fiscal year and
26 the first quarter of the current fiscal year by project.

27 (b) The amounts of appropriations carried forward as work
28 projects from previous fiscal years for information technology
29 projects.

1 (c) A listing of the projects and activities undertaken during
2 the previous fiscal year and during the first quarter of the
3 current fiscal year.

4 (d) A narrative describing anticipated information technology
5 needs for the department in future years.

6 Sec. 284. (1) In addition to the funds appropriated in part 1,
7 there is appropriated an amount not to exceed \$200,000,000.00 for
8 federal contingency funds. These funds are not available for
9 expenditure until they have been transferred to another line item
10 in this bill under section 393(2) of the management and budget act,
11 1984 PA 431, MCL 18.1393.

12 (2) In addition to the funds appropriated in part 1, there is
13 appropriated an amount not to exceed \$5,000,000.00 for state
14 restricted contingency funds. These funds are not available for
15 expenditure until they have been transferred to another line item
16 in this bill under section 393(2) of the management and budget act,
17 1984 PA 431, MCL 18.1393.

18 (3) In addition to the funds appropriated in part 1, there is
19 appropriated an amount not to exceed \$20,000,000.00 for local
20 contingency funds. These funds are not available for expenditure
21 until they have been transferred to another line item in this bill
22 under section 393(2) of the management and budget act, 1984 PA 431,
23 MCL 18.1393.

24 (4) In addition to the funds appropriated in part 1, there is
25 appropriated an amount not to exceed \$20,000,000.00 for private
26 contingency funds. These funds are not available for expenditure
27 until they have been transferred to another line item in this bill
28 under section 393(2) of the management and budget act, 1984 PA 431,
29 MCL 18.1393.

1 Sec. 287. The department shall work collaboratively with the
2 child death review board and court system to improve communication
3 and coordination between entities on the review and examination of
4 child death in Michigan.

5
6 **EXECUTIVE OPERATIONS**

7 Sec. 307. (1) Of the money appropriated in part 1 for
8 demonstration projects, \$200,000.00 shall be distributed as
9 provided in subsection (2). The amount distributed under this
10 subsection shall not exceed 50% of the total operating expenses of
11 the program described in subsection (2), with the remaining 50%
12 paid by local United Way organizations and other nonprofit
13 organizations and foundations.

14 (2) Money distributed under subsection (1) shall be
15 distributed to Michigan 2-1-1, a nonprofit corporation organized
16 under the laws of this state that is exempt from federal income tax
17 under section 501(c)(3) of the internal revenue code, 26 USC
18 501(c)(3), and whose mission is to coordinate and support a
19 statewide 2-1-1 system. Michigan 2-1-1 shall use the money only to
20 fulfill the Michigan 2-1-1 business plan adopted by Michigan 2-1-1
21 in January 2005.

22 (3) Michigan 2-1-1 shall report annually to the department and
23 the house and senate standing committees with primary jurisdiction
24 over matters relating to human services and telecommunications on
25 2-1-1 system performance, including, but not limited to, call
26 volume by community health and human service needs and unmet needs
27 identified through caller data and customer satisfaction metrics.

28 Sec. 309. The department shall assess fees in the licensing and
29 regulation of child care organizations as defined in 1973 PA 116, MCL

1 722.111 to 722.128, and adult foster care facilities as defined in the
2 adult foster care facility licensing act, 1979 PA 218, MCL 400.701 to
3 400.737. Fees collected by the department shall be used exclusively
4 for the purpose of licensing and regulating child care organizations
5 and adult foster care facilities.

6 Sec. 310. The department shall furnish the clerk of the house,
7 the secretary of the senate, the senate and house fiscal agencies and
8 policy offices, the state budget office, and all members of the house
9 and senate appropriations committees with a summary of any evaluation
10 reports and subsequent approvals or disapprovals of juvenile
11 residential facilities operated by the department, as required by
12 section 6 of 1973 PA 116, MCL 722.116. If no evaluations are conducted
13 during the fiscal year, the department shall notify the fiscal
14 agencies and all members of the appropriate subcommittees of the house
15 and senate appropriations committees.

16 17 **ADULT AND FAMILY SERVICES**

18 Sec. 418. From the funds appropriated in part 1 for employment
19 and training support services, the department may expand the
20 availability of individual development accounts (IDAs) with
21 \$200,000.00 for allocation to qualified IDA programs established
22 through the Michigan IDA partnership to serve TANF-eligible
23 households in Michigan. The Michigan IDA partnership shall
24 encourage each TANF-eligible household served to claim the federal
25 and state earned income tax credit (EITC) and to incorporate all or
26 part of any tax credit received in the household's IDA savings
27 plan, and shall provide the household with information concerning
28 available free tax assistance resources. In addition, the Michigan
29 IDA partnership and its program sites shall participate in

community EITC coalitions established under the plan to increase the EITC participation of TANF families referenced in section 666. The same amount shall be appropriated annually to further expand IDA opportunities to low-income families to become more financially self-sufficient through financial education, saving, wise investment in home ownership, postsecondary education, small business development, or a combination of those programs.

CHILDREN'S SERVICES

Sec. 501. The following goal is established by state law. During the current fiscal year ending September 30 not more than 3,000 children supervised by the department shall remain in foster care longer than 24 months. The department shall give priority to reducing the number of children under 1 year of age in foster care. During the annual budget presentation, the department shall report on the number of children supervised by the department and by private agencies who remain in foster care between 12 and 24 months, and those who remain in foster care longer than 24 months.

Sec. 502. From the funds appropriated in part 1 for foster care, the department shall provide 50% reimbursement to Indian tribal governments for foster care expenditures for children who are under the jurisdiction of Indian tribal courts and who are not otherwise eligible for federal foster care cost sharing.

Sec. 503. The department shall continue adoption subsidy payments to families after the eighteenth birthday of an adoptee who meets the following criteria:

(a) Has not yet graduated from high school or passed a high school equivalency examination.

(b) Is making progress toward completing high school.

1 (c) Has not yet reached his or her nineteenth birthday.

2 (d) Is not eligible for federal supplemental security income
3 (SSI) payments.

4 Sec. 508. (1) In addition to the amount appropriated in part 1
5 for children's trust fund grants, money granted or money received
6 as gifts or donations to the children's trust fund created by 1982
7 PA 249, MCL 21.171 to 21.172, is appropriated for expenditure.

8 (2) The state child abuse and neglect prevention board may
9 initiate a joint project with another state agency to the extent
10 that the project supports the programmatic goals of both the state
11 child abuse and neglect prevention board and the state agency. The
12 department may invoice the state agency for shared costs of a joint
13 project in an amount authorized by the state agency, and the state
14 child abuse and neglect prevention board may receive and expend
15 funds for shared costs of a joint project in addition to those
16 authorized by part 1.

17 (3) From the funds appropriated in part 1 for the children's
18 trust fund, the department may utilize interest and investment
19 revenue from the current fiscal year only for programs,
20 administration, services, or all sanctioned by the child abuse and
21 neglect prevention board.

22 (4) The department and the child abuse neglect and prevention
23 board shall collaborate to ensure that administrative delays are
24 avoided and the local grant recipients and direct service providers
25 receive money in an expeditious manner. The department and board
26 shall seek to have the children's trust fund grants distributed no
27 later than October 31 of the current fiscal year.

28 Sec. 509. (1) From the funds appropriated in part 1, the
29 department shall not expend funds to preserve or reunite a family,

1 unless there is a court order requiring the preservation or
2 reuniting of the family or the court denies the petition, if either
3 of the following would result:

4 (a) A child would be living in the same household with a
5 parent or other adult who has been convicted of criminal sexual
6 conduct against a child.

7 (b) A child would be living in the same household with a
8 parent or other adult against whom there is a substantiated charge
9 of sexual abuse against a child.

10 (2) Notwithstanding subsection (1), this section shall not
11 prohibit counseling or other services provided by the department,
12 if the service is not directed toward influencing the child to
13 remain in an abusive environment, justifying the actions of the
14 abuser, or reuniting the family.

15 Sec. 510. The department shall not be required to put up for
16 bids a contract with a service provider if the service provider is
17 currently the only provider in the service area.

18 Sec. 513. (1) The department and representatives of private,
19 licensed child caring institutions shall collaborate in
20 establishing an out-of-state child placement task force to make
21 recommendations on the out-of-state placement of children.
22 Representation on the task force shall be equally divided between
23 the department and private, licensed child caring institutions.

24 (2) The department shall not expend money appropriated in part
25 1 to pay for the direct placement by the department of a child in
26 an out-of-state facility unless there is documentation that based
27 on special needs of the child there is no appropriate in state
28 facility available or all of the following conditions are met:

1 (a) There is no appropriate placement available in this state,
2 and an out-of-state placement exists within 100 miles of the
3 child's home.

4 (b) The out-of-state facility meets all of the licensing
5 standards of this state for a comparable facility.

6 (c) The out-of-state facility meets all of the applicable
7 licensing standards of the state in which it is located.

8 (d) The department has done an on-site visit to the out-of-
9 state facility, reviewed the facility records, and reviewed
10 licensing records and reports on the facility and believes that the
11 facility is an appropriate placement for the child.

12 (3) The child placement task force shall work with the
13 department to establish a reporting process by which counties and
14 courts may report negative experiences with out-of-state
15 facilities, and whether they would or would not recommend placement
16 of youth in those facilities.

17 (4) The department shall submit a report by February 1 of each
18 year on the number of children who were placed in out-of-state
19 facilities during the previous fiscal year, the number of Michigan
20 children residing in such facilities at the time of the report, the
21 total cost and average per diem cost of these out-of-state
22 placements to this state, and a list of each such placement
23 arranged by the Michigan county of residence for each child.

24 Sec. 514. The department shall make a comprehensive report
25 concerning children's protective services (CPS) to the legislature,
26 including the senate and house policy offices and the state budget
27 director, by January 1, 2009, that shall include all of the
28 following:

1 (a) Statistical information including, at a minimum, all of
2 the following:

3 (i) The total number of reports of abuse or neglect
4 investigated under the child protection law, 1975 PA 238, MCL
5 722.621 to 722.638, and the number of cases classified under
6 category I or category II and the number of cases classified under
7 category III, category IV, or category V.

8 (ii) Characteristics of perpetrators of abuse or neglect and
9 the child victims, such as age, relationship, race, and ethnicity
10 and whether the perpetrator exposed the child victim to drug
11 activity, including the manufacture of illicit drugs, that exposed
12 the child victim to substance abuse, a drug house, or
13 methamphetamine.

14 (iii) The mandatory reporter category in which the individual
15 who made the report fits, or other categorization if the individual
16 is not within a group required to report under the child protection
17 law, 1975 PA 238, MCL 722.621 to 722.638.

18 (b) New policies related to children's protective services
19 including, but not limited to, major policy changes and court
20 decisions affecting the children's protective services system
21 during the immediately preceding 12-month period.

22 (c) The information contained in the report required under
23 section 8d(5) of the child protection law, 1975 PA 238, MCL
24 722.628d, on cases classified under category III.

25 (d) The department policy, or changes to the department
26 policy, regarding termination of parental rights or foster
27 placement for children who have been exposed to the production of
28 illicit drugs in their dwelling place or a place frequented by the
29 children.

1 (e) The department policy, or changes to the department
2 policy, regarding children who have been exposed to the production
3 or manufacture of methamphetamines.

4 Sec. 515. The department shall use performance-based models
5 for all foster care services. The goal of these contracts shall be
6 to insure that foster care services are provided in a manner which
7 increases the state's compliance with CFSR and CRI settlement
8 goals. Not later than March 30 of the current fiscal year, the
9 department shall provide an update to the senate and house
10 appropriations subcommittees on the department budget, the senate
11 and house fiscal agencies and policy offices, and the office of the
12 state budget on benchmarks developed in conjunction with private
13 providers for this performance model, results the department or
14 agencies have achieved in improving permanency placements, and
15 recommendations for further improvements for foster care services
16 across the entire state.

17 Sec. 532. The department shall develop a plan to license
18 relatives of foster children as foster care providers to ensure
19 consistent high standards of care for those foster children. The
20 department shall report on the plan to the senate and house
21 appropriations subcommittees with oversight over the department
22 budget, the senate and house standing policy committees generally
23 concerned with children's issues, the senate and house fiscal
24 agencies and policy offices, and the state budget director as part
25 of the quarterly reports required by section 582.

26 Sec. 537. The department, in collaboration with child placing
27 agencies, shall develop a strategy to implement section 115o of the
28 social welfare act, 1939 PA 280, MCL 400.115o. The strategy shall
29 include a requirement that a department caseworker responsible for

1 preparing a recommendation to a court concerning a juvenile
2 placement shall provide, as part of the recommendation, information
3 regarding the requirements of section 1150 of the social welfare
4 act, 1939 PA 280, MCL 400.1150.

5 Sec. 548. During the annual budget presentation to the house
6 and senate appropriations subcommittees on the department budget,
7 the department shall report on progress in implementing the
8 recommendations of the task force that studied the disproportionate
9 representation of African-American and other children of color in
10 the child welfare and juvenile justice systems as required under
11 former section 548 of the fiscal year 2005-2006 budget act for the
12 department.

13 Sec. 559. If a conflict arises between the provisions of state
14 law, department rules, or department policy, and the provisions of
15 title IV-E, the provisions of title IV-E prevail.

16 Sec. 570. (1) From the money appropriated in part 1 for the
17 subsidized guardianship program, the department shall provide
18 subsidies under this program to children who are wards of the court
19 under section 2(b) of chapter XIIIA of the probate code of 1939,
20 1939 PA 288, MCL 712A.2.

21 (2) The department shall report during the annual budget
22 presentation to the senate and house appropriations subcommittees
23 on the department budget the number of guardianship subsidies and
24 recommendations for any modifications in the subsidized
25 guardianship program.

26 Sec. 574. (1) From the money appropriated in part 1 for foster
27 care payments - abuse and neglect, \$2,500,000.00 is allocated to
28 support contracts with child placing agencies to facilitate the
29 licensure of relative caregivers as foster parents. Agencies shall

1 receive \$2,300.00 for each facilitated licensure. The agency
2 facilitating the licensure would retain the placement and continue
3 to provide case management services for at least 50% of the newly
4 licensed cases for which the placement was appropriate to the
5 agency. Up to 50% of the newly licensed cases would have direct
6 foster care services provided by the department.

7 (2) From the money appropriated for foster care payments, up
8 to \$375,000.00 is allocated to support family incentive grants to
9 private and community-based foster care service providers to assist
10 with home improvements or payment for required physical exams of
11 applicant(s) needed by foster families to accommodate foster
12 children.

13 Sec. 575. (1) Of the funds provided for the training of human
14 services workers, particularly caseworkers, the department shall
15 use appropriated funds to begin cultural sensitivity training and
16 awareness with the goal of effectively reducing the number of
17 minority children inappropriately removed from their homes for
18 neglect and placed in the foster care system when more appropriate
19 action would include the provision of support services to the
20 family.

21 (2) Of the money appropriated to the department for family
22 preservation and prevention, more specific focus shall be placed on
23 preserving and reunifying families.

24 Sec. 582. The department shall submit quarterly reports to the
25 senate and house appropriations subcommittees on the department
26 budget, the senate and house standing committees on human services,
27 the senate and house fiscal agencies, and the state budget director
28 on their progress on implementing provisions of the Dwayne B. et al
29 vs. Granholm et al lawsuit settlement.

1 Sec. 585. The department shall allow private nationally
2 accredited foster care and adoption agencies to conduct their own
3 staff training, based on current department policies and
4 procedures, provided that the agency trainer and training materials
5 are accredited by the department, and that the agency documents to
6 the department that the training was provided. The department shall
7 provide access to any training materials requested by the private
8 agencies to facilitate this training.

9
10 **PUBLIC ASSISTANCE**

11 Sec. 601. (1) The department may terminate a vendor payment
12 for shelter upon written notice from the appropriate local unit of
13 government that a recipient's rental unit is not in compliance with
14 applicable local housing codes or when the landlord is delinquent
15 on property tax payments. A landlord shall be considered to be in
16 compliance with local housing codes when the department receives
17 from the landlord a signed statement stating that the rental unit
18 is in compliance with local housing codes and that statement is not
19 contradicted by the recipient and the local housing authority. The
20 department shall terminate vendor payments if a taxing authority
21 notifies the department that taxes are delinquent.

22 (2) Whenever a client agrees to the release of his or her name
23 and address to the local housing authority, the department shall
24 request from the local housing authority information regarding
25 whether the housing unit for which vendoring has been requested
26 meets applicable local housing codes. Vendoring shall be terminated
27 for those units that the local authority indicates in writing do
28 not meet local housing codes until such time as the local authority
29 indicates in writing that local housing codes have been met.

1 (3) In order to participate in the rent vendoring programs of
2 the department, a landlord shall cooperate in weatherization and
3 conservation efforts directed by the department or by an energy
4 provider participating in an agreement with the department when the
5 landlord's property has been identified as needing services.

6 Sec. 603. (1) The department, as it determines is appropriate,
7 shall enter into agreements with energy providers by which cash
8 assistance recipients and the energy providers agree to permit the
9 department to make direct payments to the energy providers on
10 behalf of the recipient. The payments may include heat and electric
11 payment requirements from recipient grants and amounts in excess of
12 the payment requirements.

13 (2) The department shall establish caps for natural gas, wood,
14 electric heat service, deliverable fuel heat services, and for
15 electric service based on available federal funds.

16 (3) The department shall review and adjust the standard
17 utility allowance for the state food assistance program to ensure
18 that it reflects current energy costs in the state.

19 Sec. 604. (1) The department shall operate a state disability
20 assistance program. Except as provided in subsection (3), persons
21 eligible for this program shall include needy citizens of the
22 United States or aliens exempted from the supplemental security
23 income citizenship requirement who are at least 18 years of age or
24 emancipated minors meeting 1 or more of the following requirements:

25 (a) A recipient of supplemental security income, social
26 security, or medical assistance due to disability or 65 years of
27 age or older.

28 (b) A person with a physical or mental impairment which meets
29 federal supplemental security income disability standards, except

1 that the minimum duration of the disability shall be 90 days.

2 Substance abuse alone is not defined as a basis for eligibility.

3 (c) A resident of an adult foster care facility, a home for
4 the aged, a county infirmary, or a substance abuse treatment
5 center.

6 (d) A person receiving 30-day postresidential substance abuse
7 treatment.

8 (e) A person diagnosed as having acquired immunodeficiency
9 syndrome.

10 (f) A person receiving special education services through the
11 local intermediate school district.

12 (g) A caretaker of a disabled person as defined in subdivision
13 (a), (b), (e), or (f) above.

14 (2) Applicants for and recipients of the state disability
15 assistance program shall be considered needy if they:

16 (a) Meet the same asset test as is applied to applicants for
17 the family independence program.

18 (b) Have a monthly budgetable income that is less than the
19 payment standards.

20 (3) Except for a person described in subsection (1)(c) or (d),
21 a person is not disabled for purposes of this section if his or her
22 drug addiction or alcoholism is a contributing factor material to
23 the determination of disability. "Material to the determination of
24 disability" means that, if the person stopped using drugs or
25 alcohol, his or her remaining physical or mental limitations would
26 not be disabling. If his or her remaining physical or mental
27 limitations would be disabling, then the drug addiction or
28 alcoholism is not material to the determination of disability and
29 the person may receive state disability assistance. Such a person

1 must actively participate in a substance abuse treatment program,
2 and the assistance must be paid to a third party or through vendor
3 payments. For purposes of this section, substance abuse treatment
4 includes receipt of inpatient or outpatient services or
5 participation in alcoholics anonymous or a similar program.

6 (4) A refugee or asylee who loses his or her eligibility for
7 the federal supplemental security income program by virtue of
8 exceeding the maximum time limit for eligibility as delineated in 8
9 USC 1612 and who otherwise meets the eligibility criteria under
10 this section shall be eligible to receive benefits under the state
11 disability assistance program.

12 Sec. 605. The level of reimbursement provided to state
13 disability assistance recipients in licensed adult foster care
14 facilities shall be the same as the prevailing supplemental
15 security income rate under the personal care category.

16 Sec. 606. County department offices shall require each
17 recipient of family independence program and state disability
18 assistance who has applied with the social security administration
19 for supplemental security income to sign a contract to repay any
20 assistance rendered through the family independence program or
21 state disability assistance program upon receipt of retroactive
22 supplemental security income benefits.

23 Sec. 608. Adult foster care facilities providing domiciliary
24 care or personal care to residents receiving supplemental security
25 income or homes for the aged serving residents receiving
26 supplemental security income shall not require those residents to
27 reimburse the home or facility for care at rates in excess of those
28 legislatively authorized. To the extent permitted by federal law,
29 adult foster care facilities and homes for the aged serving

1 residents receiving supplemental security income shall not be
2 prohibited from accepting third-party payments in addition to
3 supplemental security income provided that the payments are not for
4 food, clothing, shelter, or result in a reduction in the
5 recipient's supplemental security income payment.

6 Sec. 609. The state supplementation level under the
7 supplemental security income program for the personal care/adult
8 foster care and home for the aged categories shall not be reduced
9 during the current fiscal year. The legislature shall be notified
10 not less than 30 days before any proposed reduction in the state
11 supplementation level.

12 Sec. 610. In developing good cause criteria for the state
13 emergency relief program, the department shall grant exemptions if
14 the emergency resulted from unexpected expenses related to
15 maintaining or securing employment.

16 Sec. 611. A provider of indigent burial services may collect
17 additional payment from relatives or other persons on behalf of the
18 deceased if the total additional payment does not exceed \$4,000.00.

19 Sec. 612. For purposes of determining housing affordability
20 eligibility for state emergency relief, a group is considered to
21 have sufficient income to meet ongoing housing expenses if their
22 total housing obligation does not exceed 75% of their total net
23 income.

24 Sec. 613. From the money appropriated in part 1 for indigent
25 burial, the maximum allowable reimbursement limit for indigent
26 burials shall be \$700.00, which shall be distributed as follows:
27 \$455.00 for funeral directors, \$145.00 for cemeteries or
28 crematoriums, and \$100.00 for the provider of the vault.

1 Sec. 614. The funds available in part 1 for burial services
2 shall be available if the deceased was an eligible recipient and an
3 application for emergency relief funds was made within 10 days of
4 the burial or cremation of the deceased person. Each provider of
5 burial services shall be paid directly by the department.

6 Sec. 615. Except as required by federal law or regulations,
7 funds appropriated in part 1 shall not be used to provide public
8 assistance to a person who is an illegal alien. This section shall
9 not prohibit the department from entering into contracts with food
10 banks, emergency shelter providers, or other human services
11 agencies who may, as a normal part of doing business, provide food
12 or emergency shelter.

13 Sec. 617. In operating the family independence program with
14 funds appropriated in part 1, the department shall not approve as a
15 minor parent's adult supervised household a living arrangement in
16 which the minor parent lives with his or her partner as the
17 supervising adult.

18 Sec. 618. The department may only reduce, terminate, or
19 suspend assistance provided under the social welfare act, 1939 PA
20 280, MCL 400.1 to 400.119b, without prior notice in 1 or more of
21 the following situations:

22 (a) The only eligible recipient has died.

23 (b) A recipient member of a program group or family
24 independence assistance group has died.

25 (c) A recipient child is removed from his or her family home
26 by court action.

27 (d) A recipient requests in writing that his or her assistance
28 be reduced, terminated, or suspended.

1 (e) A recipient has been approved to receive assistance in
2 another state.

3 (f) A change in either state or federal law that requires
4 automatic grant adjustments for classes of recipients.

5 (g) The only eligible recipient in the household has been
6 incarcerated.

7 (h) A recipient is no longer a Michigan resident.

8 (i) A recipient is closed on 1 case to be activated on
9 another.

10 (j) Federal payments (other than RSDI, railroad retirement, or
11 VA) to the group have begun or increased.

12 (k) A recipient is disqualified for intentional program
13 violation.

14 (l) When the department's negative action is upheld in an
15 administrative hearing.

16 Sec. 619. The department shall exempt from the denial of title
17 IV-A assistance and food assistance benefits, contained in 21 USC
18 862a, any individual who has been convicted of a felony that
19 included the possession, use, or distribution of a controlled
20 substance, after August 22, 1996, provided that the individual is
21 not in violation of his or her probation or parole requirements.
22 Benefits shall be provided to such individuals as follows:

23 (a) A third-party payee or vendor shall be required for any
24 cash benefits provided.

25 (b) An authorized representative shall be required for food
26 assistance receipt.

27 Sec. 620. The department with the approval of the state budget
28 director is authorized to increase federal spending authority for
29 food assistance program benefits if projected caseload spending

1 will exceed the spending authority in part 1. This authorization
2 adjustment shall be made 15 days after notifying the chairs of the
3 house and senate appropriations subcommittees on the department
4 budget and house and senate fiscal agencies.

5 Sec. 627. From the funds appropriated in part 1 for the ECIC,
6 the department shall contract for the creation and support of great
7 start communities. Great start collaborative grants will be
8 awarded by competitive bid process to eligible intermediate
9 districts in an amount to be determined by the ECIC. The ECIC shall
10 provide technical assistance to great start communities through
11 intermediate school districts or other community agencies for the
12 implementation of their great start community needs assessment and
13 strategic plan.

14 Sec. 631. The department shall maintain policies and
15 procedures to achieve all of the following:

16 (a) The identification of individuals on entry into the system
17 who have a history of domestic violence, while maintaining the
18 confidentiality of that information.

19 (b) Referral of persons so identified to counseling and
20 supportive services.

21 (c) In accordance with a determination of good cause, the
22 waiving of certain requirements of family independence programs
23 where compliance with those requirements would make it more
24 difficult for the individual to escape domestic violence or would
25 unfairly penalize individuals who have been victims of domestic
26 violence or who are at risk of further domestic violence.

27 Sec. 635. Within 24 hours of receiving all information
28 necessary to process an application for payments for child day
29 care, the department shall determine whether the child day care

1 provider to whom the payments, if approved, would be made, is
2 listed on the child abuse and neglect central registry. If the
3 provider is listed on the central registry, the department shall
4 immediately send written notice denying the applicant's request for
5 child day care payments.

6 Sec. 640. (1) From the funds appropriated in part 1 for day
7 care services, the department may continue to provide infant and
8 toddler incentive payments to child day care providers serving
9 children from 0 to 2-1/2 years of age who meet licensing or
10 training requirements.

11 (2) The use of the funds under this section should not be
12 considered an ongoing commitment of funding.

13 Sec. 643. As a condition of receipt of federal TANF funds,
14 homeless shelters and human services agencies shall collaborate
15 with the department to obtain necessary TANF eligibility
16 information on families as soon as possible after admitting a
17 family to the homeless shelter. From the funds appropriated in part
18 1 for homeless programs, the department is authorized to make
19 allocations of TANF funds only to the agencies that report
20 necessary data to the department for the purpose of meeting TANF
21 eligibility reporting requirements. Homeless shelters or human
22 services agencies that do not report necessary data to the
23 department for the purpose of meeting TANF eligibility reporting
24 requirements will not receive reimbursements which exceed the per
25 diem amount they received in fiscal year 2000. The use of TANF
26 funds under this section should not be considered an ongoing
27 commitment of funding.

28 Sec. 645. An individual or family is considered homeless, for
29 purposes of eligibility for state emergency relief, if living

1 temporarily with others in order to escape domestic violence. For
2 purposes of this section, domestic violence is defined and verified
3 in the same manner as in the department's policies on good cause
4 for not cooperating with child support and paternity requirements.

5 Sec. 653. From the funds appropriated in part 1 for food
6 assistance, an individual who is the victim of domestic violence
7 and does not qualify for any other exemption may be exempt from the
8 3-month in 36-month limit on receiving food assistance under 7 USC
9 2015. This exemption can be extended an additional 3 months upon
10 demonstration of continuing need.

11 Sec. 660. From the funds appropriated in part 1 for food bank
12 funding, the department is authorized to make allocations of TANF
13 funds only to the agencies that report necessary data to the
14 department for the purpose of meeting TANF eligibility reporting
15 requirements. The agencies that do not report necessary data to the
16 department for the purpose of meeting TANF eligibility reporting
17 requirements will not receive allocations in excess of those
18 received in fiscal year 2000. The use of TANF funds under this
19 section should not be considered an ongoing commitment of funding.

20 Sec. 665. The department shall partner with the department of
21 transportation and may partner with other entities to use TANF and
22 other sources of available funding to support public transportation
23 needs of TANF-eligible individuals. This partnership shall place a
24 priority on transportation needs for employment or seeking
25 employment or medical or health-related transportation.

26 Sec. 666. The department shall continue efforts to increase
27 the participation of eligible family independence program
28 recipients in the federal and state earned income tax credit.

1 Sec. 669. (1) The department shall distribute cash and food
2 assistance to recipients electronically by using debit or
3 purchasing cards.

4 (2) The department shall allocate up to \$12,751,000.00 for the
5 annual clothing allowance. The allowance shall be granted to all
6 eligible children as defined by the department.

7 (3) The department shall take steps to inform family
8 independence program recipients eligible for the allowance under
9 subsection (2) that the money is to be used for clothing for
10 eligible children.

11 Sec. 673. The department shall immediately send notification
12 to a client participating in the state child day care program and
13 his or her child day care provider if the client's eligibility is
14 reduced or eliminated.

15 Sec. 674. (1) Part of legislative budget hearings, the
16 department shall report to the senate and house appropriations
17 subcommittees for the department budget, the senate and house
18 fiscal agencies and policy offices, and the state budget director
19 on the status of its plan to reduce waste, fraud and abuse in day
20 care.

21 (2) The department shall develop internal processes to
22 increase the accuracy of payments made through the child care
23 program. This improvement in payment accuracy may be achieved
24 through changes in information technology or through increased
25 management and oversight of the child care program.

26 Sec. 677. The department shall establish a state goal for the
27 percentage of family independence program (FIP) cases involved in
28 employment activities. The percentage established shall not be less
29 than 50%. On a quarterly basis, the department shall report to the

1 senate and house appropriations subcommittees on the department
2 budget, the senate and house fiscal agencies and policy offices,
3 and the state budget director on the current percentage of FIP
4 cases involved in JET employment activities. If the FIP case
5 percentage is below the goal for more than 2 consecutive quarters,
6 the department shall develop a plan to increase the percentage of
7 FIP cases involved in employment-related activities. The department
8 shall deliver the plan during the next annual budget presentation
9 to the senate and house appropriations subcommittees on the
10 department budget.

11 Sec. 678. (1) The department shall provide the house and
12 senate appropriations subcommittees on the department budget with
13 an annual report on the activities of the early childhood
14 investment corporation (ECIC). The report is due by February 15 of
15 each year and shall contain at least the following information:

16 (a) Detail of the amounts of grants awarded.

17 (b) The grant recipients.

18 (c) The activities funded by each grant.

19 (d) An analysis of each grant recipient's success in
20 addressing the development of a comprehensive system of early
21 childhood services and supports.

22 (2) All ECIC contracts for comprehensive systems planning
23 shall be bid out through a statewide request-for-proposal process.

24 Sec. 683. (1) From the funds appropriated in part 1 for SSI
25 advocacy, \$1,275,000.00 shall be paid to the Michigan state bar
26 foundation for SSI advocacy services provided by the legal services
27 association of Michigan. A payment of \$400.00 shall be made for
28 each case referred to the legal services association of Michigan,
29 with a final payment of \$250.00 on case completion.

1 (2) The department shall not provide payment to the legal
2 services association of Michigan for assisting a recipient to
3 submit a frivolous appeal or application or for assisting a
4 recipient who has submitted multiple applications that have been
5 denied regarding the same disability, unless the legal services
6 association of Michigan determines that there is a valid reason to
7 pursue an appeal.

8 Sec. 685. (1) Not later than March 1 of the current fiscal
9 year, the department shall report to the senate and house
10 appropriations subcommittees with jurisdiction over the department
11 budget, and to the senate and house appropriations subcommittees
12 with jurisdiction over the department of community health budget,
13 on the number of recipients that applied for Medicaid coverage, the
14 number of recipients that were approved for Medicaid coverage, and
15 the number of recipients that were denied Medicaid coverage. The
16 report shall describe these statistics for the previous fiscal year
17 and summarize department programs to assist persons in applying for
18 Medicaid.

19 (2) Not later than March 1 of the current fiscal year, the
20 department shall report to the senate and house appropriations
21 subcommittees with jurisdiction over the department budget, and to
22 the senate and house subcommittees with jurisdiction over the
23 department of community health budget, on the number of applicants
24 for home help services. The department shall give a summary report
25 on the number of approved applications, denied applications,
26 pending applications, and the number of applications in which the
27 applicant was eligible for nursing home services.

28
29 **JUVENILE JUSTICE SERVICES**

1 Sec. 705. (1) The department, in conjunction with private
2 juvenile justice residential programs, shall develop a methodology
3 for measuring goals, objectives, and performance standards for the
4 delivery of juvenile justice residential programs based on national
5 standards and best practices. These goals, objectives, and
6 performance standards shall apply to both public and private
7 delivery of juvenile justice residential programs, and data shall
8 be collected from both private and public juvenile justice
9 residential programs that can be used to evaluate performance
10 achievements, including, but not limited to, the following:

11 (a) Admission and release data and other information related
12 to demographics of population served.

13 (b) Program descriptions and information related to treatment,
14 educational services, and conditions of confinement.

15 (c) Program outcomes including recidivism rates for youth
16 served by the facility.

17 (d) Trends in census and population demographics.

18 (e) Staff and resident safety.

19 (f) Facility profile.

20 (g) Fiscal information necessary for qualitative understanding
21 of program operations and comparative costs of public and private
22 facilities.

23 (2) The department during the annual budget presentation shall
24 outline the progress of the development of the goals, objectives,
25 and performance standards, as well as the information collected
26 through the implementation of the performance measurement program.
27 The presentation shall include all of the following:

28 (a) Actual cost and actual days of care by facility for the
29 most recently completed fiscal year.

1 (b) Actual cost per day per youth by facility for the most
2 recently completed fiscal year.

3 (c) An analysis of the variance between the estimated cost and
4 days of care assumed in the original appropriation and the figures
5 in subdivisions (a) and (b).

6 (d) Both the number of authorized FTE positions for each
7 facility and the number of actual on-board FTE positions for the
8 most recently completed fiscal year.

9 Sec. 706. Counties shall be subject to 50% chargeback for the
10 use of alternative regional detention services, if those detention
11 services do not fall under the basic provision of section 117e of
12 the social welfare act, 1939 PA 280, MCL 400.117e, or if a county
13 operates those detention services programs primarily with
14 professional rather than volunteer staff.

15 Sec. 707. In order to be reimbursed for child care fund
16 expenditures, counties are required to submit department-developed
17 reports to enable the department to document potential federally
18 claimable expenditures. This requirement is in accordance with the
19 reporting requirements specified in section 117a(7) of the social
20 welfare act, 1939 PA 280, MCL 400.117a.

21 Sec. 708. As a condition of receiving money appropriated in
22 part 1 for the child care fund line item, by February 15 of the
23 current fiscal year, counties shall have an approved service
24 spending plan for the current fiscal year. Counties must submit the
25 service spending plan to the department by December 15 of the
26 current fiscal year for approval.

27 Sec. 719. The department shall notify the legislature at least
28 30 days before closing or making any change in the status,

1 including the licensed bed capacity and operating bed capacity, of
2 a state juvenile justice facility.

3 Sec. 723. A private provider of juvenile services may receive
4 funding for services of different security levels if the provider
5 has appropriate services for each security level and adequate
6 measures to physically separate residents of each security level.

7 8 **LOCAL OFFICE SERVICES**

9 Sec. 750. The department shall maintain out-stationed
10 eligibility specialists in community-based organizations, nursing
11 homes and hospitals.

12 Sec. 751. (1) From the funds appropriated in part 1, the
13 department shall implement school-based family resource centers
14 based on the following guidelines:

15 (a) The center is supported by the local school district.

16 (b) The programs and information provided at the center do not
17 conflict with sections 1169, 1507, and 1507b of the revised school
18 code, 1976 PA 451, MCL 380.1169, 380.1507, and 380.1507b.

19 (c) Notwithstanding subdivision (b), the center shall provide
20 information regarding crisis pregnancy centers or adoption service
21 providers in the area.

22 (2) The department shall notify the senate and house
23 subcommittees on the department budget, the senate and house fiscal
24 agencies and policy offices, and the state budget office of family
25 resource center expansion efforts and shall provide all of the
26 following at the beginning of the selection process or no later
27 than 5 days after eligible schools receive opportunity
28 notification:

29 (a) A list of eligible schools.

- 1 (b) The selection criteria to be used.
- 2 (c) The projected number to be opened.
- 3 (d) The financial implications for expansion, including
- 4 funding sources.

5

6 **DISABILITY DETERMINATION SERVICES**

7 Sec. 801. The department disability determination services in

8 agreement with the department of management and budget office of

9 retirement systems will develop the medical information and make

10 recommendations for medical disability retirement for state

11 employees, state police, judges, and schoolteachers.

12

13 **CHILD SUPPORT ENFORCEMENT**

14 Sec. 901. (1) The appropriations in part 1 assume a total

15 federal child support incentive payment of \$26,500,000.00.

16 (2) From the federal money received for child support

17 incentive payments, \$12,000,000.00 shall be retained by the state

18 and expended for child support program expenses.

19 (3) From the federal money received for child support

20 incentive payments, \$14,500,000.00 shall be paid to the counties

21 based on each county's performance level for each of the federal

22 performance measures as established in the code of federal

23 regulations, CFR 45.305.2.

24 (4) If the child support incentive payment to the state from

25 the federal government is greater than \$26,500,000.00, then 100% of

26 the excess shall be retained by the state and is appropriated until

27 the total retained by the state reaches \$15,397,400.00.

28 (5) If the child support incentive payment to the state from

29 the federal government is greater than the amount needed to satisfy

1 the provisions identified in subsections (1), (2), (3), and (4),
2 the additional funds shall be subject to appropriation by the
3 legislature.

4 (6) If the child support incentive payment to the state from
5 the federal government is less than \$26,500,000.00, then the state
6 and county share shall each be reduced by 50% of the shortfall.

7 (7) From the state funds appropriated in part 1 for child
8 support enforcement, not less than \$9,570,000.00 shall be paid to
9 counties for use as the local/state match for federal title IV-D
10 services provided by the friend of the court and prosecuting
11 attorney. The money is to be used to offset the net effect of the
12 federal deficit reduction act that prohibits the use of federal
13 performance incentive funds paid to the state as local/state match
14 funds.

15 Sec. 909. (1) If statewide retained child support collections
16 exceed \$38,300,000.00, 75% of the amount in excess of
17 \$38,300,000.00 is appropriated to legal support contracts. This
18 excess appropriation may be distributed to eligible counties to
19 supplement and not supplant county title IV-D funding.

20 (2) Each county whose retained child support collections in
21 the current fiscal year exceed its fiscal year 2004-2005 retained
22 child support collections, excluding tax offset and financial
23 institution data match collections in both the current year and
24 fiscal year 2004-2005, shall receive their proportional share of
25 the 75% excess.

26 (3) Payments to counties participating in projects pursuant to
27 section 902 shall be reduced by the amount paid to the vendor.
28 This authorization adjustment shall be made upon notification of
29 the chairs of the house and senate appropriations subcommittees on

1 the department budget, the house and senate fiscal agencies, and
2 the state budget director.

3 Sec. 910. If title IV-D-related child support collections are
4 escheated, the state budget director is authorized to adjust the
5 sources of financing for the funds appropriated in part 1 for legal
6 support contracts to reduce federal authorization by 66% of the
7 escheated amount and increase general fund/general purpose
8 authorization by the same amount. This budget adjustment is
9 required to offset the loss of federal revenue due to the escheated
10 amount being counted as title IV-D program income in accordance
11 with federal regulations at 45 CFR 304.50.

12 Sec. 911. The department will implement a \$25.00 annual fee
13 pursuant to title IV-D, 42 USC 654(6)(B). The fee shall be deducted
14 from support collected on behalf of the individual. Fee revenues
15 shall be used to administer and operate the child support program
16 under title IV-D.

17
18 **COMMUNITY ACTION AND ECONOMIC OPPORTUNITY**

19 Sec. 1101. Not later than September 30 of each year, the
20 department shall submit for public hearing to the chairpersons of
21 the house and senate appropriations subcommittees dealing with
22 appropriations for the department budget the proposed use and
23 distribution plan for community services block grant funds
24 appropriated in part 1 for the succeeding fiscal year.

25 Sec. 1102. The department shall develop a plan based on
26 recommendations from the department of civil rights and from Native
27 American organizations to assure that the community services block
28 grant funds are equitably distributed. The plan must be developed
29 by October 31 of the current fiscal year, and the plan shall be

1 delivered to the appropriations subcommittees on the department
2 budget in the senate and house, the senate and house fiscal
3 agencies, and the state budget director.

4 Sec. 1103. The appropriation in part 1 for the weatherization
5 program shall be expended so that at least 25% of the households
6 weatherized under the program shall be households of families
7 receiving 1 or more of the following:

8 (a) Family independence program assistance.

9 (b) State disability assistance.

10 (c) Food assistance.

11 (d) Supplemental security income.

12 Sec. 1104. (1) Of the funds appropriated in part 1 for
13 community services block grants, \$2,350,000.00 represents TANF
14 funding earmarked for community action agencies.

15 (2) In addition to the money referred to in subsection (1),
16 the department shall award up to \$500,000.00 to community action
17 agencies for education and outreach with the earned income tax
18 credit (EITC). Emphasis shall be on clients who have never filed
19 for the EITC, clients with children, and clients for whom receipt
20 of the EITC will make it easier for them to move off public
21 assistance.